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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
DELPHI CORPORATION., et al)	Case No. 05-44481 (RDD)
)	
Debtors.)	
)	Jointly Administered
)	

**STATEMENT OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS IN
RESPONSE TO DEBTORS' MOTION UNDER 11 U.S.C. § 363 AND FED. R. BANKR. P.
9019 FOR ORDER AUTHORIZING DELPHI CORPORATION TO (A) PERFORM
UNDER PENSION FUNDING WAIVERS ISSUED BY UNITED STATES INTERNAL
REVENUE SERVICE AND (B) PROVIDE LETTERS OF CREDIT TO PENSION
BENEFIT GUARANTY CORPORATION THEREUNDER**

The Official Committee of Unsecured Creditors (the "Committee") appointed in the chapter 11 cases of Delphi Corporation ("Delphi") and certain of its affiliates (collectively, the "Debtors"), by and through its undersigned counsel, hereby submits the following statement (the "Statement") in response to the Debtor's Motion under 11 U.S.C. § 363 and Fed. R. Bankr. P. 9019 for Order Authorizing Delphi Corporation to (A) Perform Under Pension Funding Waivers Issued by the United States Internal Revenue Service and (B) Provide Letters of Credit to

Pension Benefit Guaranty Corporation Thereunder (the “Motion”).¹ The Committee respectfully states as follows:

BACKGROUND

1. On October 8, 2005 (the “Petition Date”), thirty-nine of the Debtors filed with this Court voluntary petitions for relief under chapter 11 of Title 11 of the United States Code, as amended (the “Bankruptcy Code”). On October 14, 2005, the three remaining Debtors similarly filed voluntary petitions.

2. The Committee was appointed nine days after the Petition Date, on October 17, 2005.² Shortly thereafter, the Committee selected Latham & Watkins LLP as its counsel, Mesirow Financial Consulting LLC (“Mesirow”) as its financial advisor and Jefferies & Company, Inc. as its investment banker.

3. On May 11, 2007, the Debtors filed the Motion seeking authority to perform under Waivers issued by the IRS and to issue letters of credit to the PBGC in connection with the Waivers. The Motion states that “[t]he terms of the Waivers provide in part that (a) Delphi must file a chapter 11 plan by July 31, 2007 and (b) Delphi must satisfy any minimum funding requirements by the effective date of a plan of reorganization, which must be not later than November 15, 2007.” *See Motion, at ¶ 28.*

¹ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Plan Investment and Framework Support Motion.

² The following members originally were appointed to the Committee: (a) Capital Research and Management Company; (b) Electronic Data Systems Corp.; (c) Flextronics International Asia-Pacific, Ltd.; (d) Freescale Semiconductor, Inc.; (e) General Electric Company; (f) IUE-CWA and (g) Wilmington Trust Company, as Indenture Trustee. Flextronics International Asia-Pacific, Ltd., has since resigned from the Committee, and Tyco Electronics Corporation has since been appointed to the Committee. The Pension Benefit Guaranty Corporation and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America have been added as *ex officio* members of the Committee.

STATEMENT

4. The Committee supports the Debtors' request to perform under Waivers issued by the IRS and to issue letters of credit to the PBGC in connection with the Waivers.

5. However, the Committee notes that the Waivers are subject to certain conditions, including, among other things, (i) the requirement that Delphi file a plan of reorganization by July 31, 2007, and (ii) the requirement that the effective date of such plan occur by November 15, 2007. While the Committee is optimistic that these conditions will be met and presently knows of no reason why they cannot or will not be met, compliance depends upon a myriad of factors, including the actions of a number of parties in interest in these chapter 11 cases.

6. While the Committee supports the relief sought in the Motion, the Committee is concerned that events beyond the Debtors' control could upset meeting the effective date deadline of November 15, 2007, which date by itself has no bearing on whether the Debtors will ultimately provide the pension funding contemplated by the Waivers. In such a situation, the Committee hopes that all parties, including among others the Debtors, the PBGC and the IRS, will act in a cooperative manner and will re-evaluate this date and whether an extension of such deadline is appropriate.

WHEREFORE, the Committee respectfully requests that this Court grant such relief as this Court deems just and proper under the circumstances.

Dated: May 24, 2007
New York, New York

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